

Message Text

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PAGE 01 GENEVA 10895 141953Z
ACTION STR-07

INFO OCT-01 AF-10 ARA-10 EUR-12 EA-10 NEA-10 IO-13
ISO-00 STRE-00 AGRE-00 CEA-01 CIAE-00 COME-00
DODE-00 EB-08 FRB-03 H-01 INR-10 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01 DOE-15
OIC-02 /168 W

-----027303 141955Z /41

P 141934Z JUL 78

FM USMISSION GENEVA
TO SECSTATE WASHDC PRIORITY 2106
INFO AMEMBASSY BELGRADE
AMEMBASSY BRASILIA
AMEMBASSY BUENOS AIRES
AMEMBASSY ISLAMABAD
AMEMBASSY KINGSTON
AMEMBASSY KUALA LUMPUR
AMEMBASSY LAGOS
AMEMBASSY MEXICO
AMEMBASSY NEW DELHI
ALL OECD CAPITALS

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USMTN

USEEC

PASS STR ELECTRONICALLY FOR ACTION
STR PASS CODEL

E.O.11652:N/A

TAGS: ETRD, MTN

SUBJECT: FRAMEWORK/GATT REFORM--STATUS OF "THE PACKAGE"

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REF: GENEVA 10789 (NOTAL)

1. SUMMARY. BASIS FOR AGREEMENT HAS BEEN ACHIEVED ON ALL
GATT REFORM TOPICS FROM VIEWPOINT OF ALL PRINCIPAL TRADING
COUNTRIES. BRINGING "FRAMEWORK PACKAGE" TO SUCCESSFUL CON-
CLUSION (VIS-A-VIS LDC'S IN PARTICULAR) WILL BE A MAJOR
TASK DURING COMING MONTHS. END SUMMARY.

2. OVER THE COURSE OF PAST TWO WEEKS, NEGOTIATING DOCUMENTS ON ALL FRAMEWORK TOPICS EMERGED WHICH, IN THE JUDGMENT OF 16 COUNTRIES ENDORSING THE JULY 13 MTN DECLARATION (REFTEL), CONSTITUTE THE "BASIS ON WHICH . . . A MUTUALLY ACCEPTABLE SOLUTION COULD BE SUCCESSFULLY NEGOTIATED." REACTIONS OF KEY LDC'S HAVE BEEN AMBIGUOUS TO POSITIVE ON VARIOUS TEXTS; NO DIRECT BLOCK REMAINS TO ANY TEXT (EXCEPT FOR MEXICAN AND PAKISTANI OPPOSITION ON EXPORT CONTROLS).

3. SEPTELS WILL REPORT CURRENT STATUS OF NEGOTIATIONS ON EACH TOPIC IN DETAIL; SUMMARY ASSESSMENT IS AS FOLLOWS:

A) DISPUTE SETTLEMENT. ALL KEY DC AND LDC DELS EXCEPT EC EXPLICITLY ACCEPTED CURRENT NEGOTIATING TEXT (MTN/INF/29/REV. 1) AS BASIS FOR AGREEMENT. EC THIS WEEK IMPLICITLY ACCEPTED TEXT BY USING IT IN MODIFIED FORM U.S.-EC SUBMISSION IN SUBSIDIES/CVD CODE.

B) ENABLING CLAUSE/RECIPROCITY/GRADUATION. ALL DC'S AGREED TO COMMON "PROPOSAL ON DEVELOPING COUNTRIES IN THE TRADING SYSTEM" (MTN/INF/32). PROGNOSIS GIVEN IN GENEVA 10494 (NOTAL) RE LDC REACTION FULLY VERIFIED JULY 12, ALTHOUGH SOME LESS-ADVANCED LDC'S (NIGERIA, JAMAICA) ACTUALLY ENDORSED "GRADUATION" CONCEPT AND NO RPT NO LDC DIRECTLY OPPOSED TEXT.

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C) BALANCE-OF-PAYMENTS REFORM. AS REPORTED GENEVA 9983 (NOTAL), KEY DC AND LDC DELS ACCEPTED CURRENT NEGOTIATING TEXT (MTN/INF/25/REV.1) AS GENERAL BASIS FOR AGREEMENT. EC AND JAPAN CONTINUE TO RESIST EXISTING LANGUAGE ON TWO CRUCIAL POINTS--BUT DURING WEEK BOTH INDICATED RECEPTIVITY TO POSSIBLE COMPROMISE WHICH WOULD SOFTEN DC "ABSTENTION PLEDGE" AND MAKE LEGALIZATION OF NON-QRS LESS PROVOCATIVE.

D) EXPORT CONTROLS. ALL DC'S INCLUDING CANADA AND AUSTRALIA HAVE NOW ACCEPTED REVISED TEXT (MTN/INF/20/REV.1) AS NEGOTIATING BASIS. SOME LDC'S (MEXICO, PAKISTAN) OPPOSED BUT OTHERS SUCH AS BRAZIL CAREFULLY HEDGED REMARKS TO SUGGEST EVENTUAL SUPPORT IF SPECIAL DISPENSATIONS FOR LDC'S INCLUDED IN TEXT.

COPIES OF ALL TEXTS MENTIONED ABOVE HAND-CARRIED TO WASHINGTON JULY 12 BY COFFIELD, STR.

4. FULL PLENARY SESSION OF FRAMEWORK GROUP SCHEDULED FOR JULY 21, DURING WHICH DC AND LDC DELS LIKELY TO COMMENT

ON "THE PACKAGE" WITH VARYING DEGREES OF ENTHUSIASM.

5. COMMENT: MTN DEL BELIEVES ACCORD ON FRAMEWORK TEXTS--
NOTWITHSTANDING SEVERAL CRUCIAL ADJUSTMENTS TO BE MADE
OVER CMING WEEKS--REPRESENTS A SUBSTANTIAL STEP TOWARDS
ACHIEVEMENT OF U.S. OBJECTIVES IN REFORMING THE INTER-
NATIONAL FRAMEWORK FOR THE CONDUCT OF WORLD TRADE.
SECURING BROADLY-BASED SUPPORT FOR FRAMEWORK PACKAGE
AMONG LDC'S WILL REQUIRE PAINSTAKING EFFORTS IN THE MONTHS
AHEAD. GIVEN CURRENT NEGOTIATING DYNAMICS, HOWEVER, A
SUCCESSFUL CONCLUSION TO THIS FACET OF THE MTN SHOULD
ULTIMATELY BE FEASIBLE. END COMMENT.

6. DRAFTED BY MARK. CULBERT
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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE AGREEMENTS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978GENEVA10895
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780289-0699
Format: TEL
From: GENEVA USMTN
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1978/newtext/t19780760/aaaabymh.tel
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Litigation Codes:
Litigation History:
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
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Original Previous Handling Restrictions: n/a
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Reference: 78 GENEVA 10789
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Review Content Flags:
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Review Exemptions: n/a
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Secure: OPEN
Status: NATIVE
Subject: FRAMEWORK/GATT REFORM--STATUS OF "THE PACKAGE" LIMITED OFFICIAL USE LIMITED OFFICIAL USE
TAGS: ETRD, MTN
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/49129e73-c288-dd11-92da-001cc4696bcc
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